

## Notice to the Market – 19/21

### Clarification on CVM/B3 queries

Companhia Paranaense de Energia – COPEL (“Company”), a company that generates, transmits, distributes and trades energy, with shares listed on B3 SA - Brasil, Bolsa, Balcão (CPLE3, CPLE5, CPLE6, CPLE11), on NYSE (ELP) and LATIBEX (XCOP, XCOPO, XCOPU), comes to provide clarification about the news published by Valor Econômico newspaper, on May 19, 2021, under the title “With an investment of R\$1 billion in RN, Copel expand its diversification” through Official Letter No. 697/2021-SLS, sent on this date by B3 S.A. - Brasil, Bolsa, Balcão (“B3”) which is transcribed below.

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May 19, 2021  
697/2021-SLS

**Companhia Paranaense de Energia - COPEL**  
At. Mr. Adriano Rudek de Moura  
Investor Relations Officer

Ref.: **Request for clarification on news published in the press**

Dear Sirs,

In a news item published by the Valor Econômico newspaper, on 05/19/2021, under the title “With an investment of R\$1 billion in RN, Copel increases its diversification”, it is stated, among other information, that Copel should issue a debentures and will continue with low leverage (net debt to Ebitda), but following the target in the right direction, to reach 2.7x.

We request clarification on the items marked, until 05/20/2021, with your confirmation or not, as well as other information considered important.

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In response to the request, it is clarified that, according to relevant fact 10/21, released on May 17, 2021, filed in the Empresas.NET system under nº 014311IPE170520210104433311-09 (“FR 10/21”), the Company informed to the market that its subsidiary, Copel Geração e Transmissão (“Copel GeT”), signed a contract for the acquisition of 100% of the Vilas Wind Complex and that the total transaction value (Enterprise Value) is R\$1,059 million (“Operation”). Also as stated in FR 10/21, the closing of the transaction will take place on November 30, 2021, after the fulfillment of its precedent conditions. In addition, pursuant to FR 10/21, the Company announced that “clarifications on the transaction may be made in the conference call with investors that the Company will hold tomorrow (May 18, 2021) at 12:00, whose access will be available on the Investor Relations website (ri.copel.com)”.

Thus, on May 17, 2021, prior to the conference call with investors, the Company disclosed, through the Empresas.NET system, in the category “communicated to the market”, type “presentation to analysts / market agents”, according to the protocol 014311IPE180520210104433312-08, the material that would be presented during the next day's conference call (“Presentation 5.18.21”).

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In this sense, on page 9, Presentation 5.18.2021 informs that the Company expects to obtain, with the acquisition of the Project, an internal rate of return (“IRR”) of more than 2 digits. On that same page, the Company clarifies the strategy of “leveraging Equity at Copel GeT”, with a limited impact (0.2x) on the Company's consolidated leverage. When mentioning leverage as a strategy to maximize the return on the Operation, the Company made it clear that Copel GeT will seek to raise funds through financing with third parties (and not with its own shareholder), which may involve the issuance of debentures or other debt securities by Copel GeT. However, considering the need to verify the precedent conditions contracted and the forecast for the conclusion of the Transaction by the end of November this year, there is still no definition on the financing strategies to be adopted by Copel GeT.

As for the leverage of 2.7x (Net Debt / EBITDA), the Company clarifies that it disclosed the relevant fact 04/2021, filed in the Empresas.NET system under no. 014311IPE200120210104421612-77, on January 20, 2021 (“FR 04/21”), through which it informed its intention to, in line with the dividend policy then approved and disclosed, “not to exceed the leverage of 2.7x”.

In this sense, on March 23, 2021, the Company sent, through the Empresas.NET system, in the category “communicated to the market”, type “presentation to analysts/market agents”, under protocol no. 014311IPE240320210104427813-46, presentation related to the conference call that would be held the next day called “Copel Day” (“Presentation 23.3.21”). On page 8 of Presentation 23.3.21, it appears that, based on various methodologies, management concluded that the ideal leverage (ratio of net debt to EBITDA) would be between 2.3x and 2.8x. Hence, on this same page, it is informed that the 2.7x leverage will be adopted as the “limit and goal” of the Company.

Curitiba, May 20, 2021.

**Adriano Rudek de Moura**  
Chief Financial and Investor Relations Officer

For further information, please contact the Investor Relations team:  
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